



Surrendering all gains, Sensex, Nifty end in red on late sell-off

Interest wanes in realty, PSU banks counters

OUR BUREAU

Mumbai, May 18
Benchmark indices closed marginally lower on Wednesday. Market opened on a positive note amid mixed global cues. However, indices erased all early gains and closed marginally lower, witnessing selling pressure across multiple counters.

The BSE Sensex closed at 54,208.53, down 109.94 points or 0.20 per cent. It recorded an intra-day high of 54,786. The Nifty 50 closed at 16,240.30, down 19 points or 0.12 per cent; it recorded an intra-day high of 16,399.80.

The market breadth remained positive with 1,910 stocks advancing on the BSE as against 1,440 that declined, while 116 remained



italise on the firm start and rather turned range-bound to end marginally lower."

Tata Consumer, Hindustan Unilever, Ultratech Cement, Shree Cement and Adani Ports were the top gainers on the Nifty 50, while Powergrid, BPCL, Tech Mahindra, Apollo Hospitals and State Bank of India were the top losers.

FMCG, pharma in focus

On the sectoral front, a majority of indices closed in the red. Realty, PSU Bank, consumer durables and oil and gas dragged, pharma, healthcare and FMCG saw intense selling.

Nifty Midcap 50 was down 0.19 per cent, while Nifty Smallcap 50 was down 0.27 per cent. The S&P BSE Midcap was down 0.13 per cent, while the S&P BSE Smallcap was up 0.33 per cent.

However, the volatility index softened 1.96 per cent to 22.30.

LIC ends flat on Day 2

Deliverable quantity stands over 50% on the BSE

OUR BUREAU

Mumbai, May 18
Shares of Life Insurance Corporation of India ended flat on Day 2 of trading.



LIC scrip closed at ₹876.25 on the BSE on Wednesday, a gain of 0.09 per cent from the previous close of ₹875. On the NSE, the stock closed 0.06 per cent lower at ₹874.75.

Shares of the insurance behemoth were listed on the stock exchanges on Tuesday at a discount of over 8 per cent against the issue price of ₹949.

Fifth most valuable co

It, however, retained its posi-

tion as the fifth most valuable company in terms of market capitalisation, according to BSE data. Its market capitalisation was ₹5.54 lakh crore by the end of the day. The shares were trading about one per cent up in early morning trade on Wednesday.

However, high delivery volume indicates value buying from some quarters. Delivery volume was 50.52 per cent in the first two days of trading on the BSE. While 9.82 lakh shares changed hands on the BSE on Wednesday, volume stood close to 90 lakh shares on the NSE. However, nearly 30 per cent or 26.70 lakh shares were up for delivery on the NSE.

The IPO, which was the largest till date in the Indian capital markets, had seen strong response from investors and was subscribed 2.95 times.

Bajaj Electricals stock slumps 4%

Despite weak Q4, analysts remain big fan of stock

OUR BUREAU

Chennai, May 18

Shares of Bajaj Electricals slumped 4 per cent on Wednesday after the company came out with lower-than-expected Q4 performance. However, analysts remain bullish on the stock, as Bajaj Electricals is expected to report better numbers on rural demand picking up due to a good monsoon.

Bajaj Electricals Q4 net profit dipped 29 per cent to ₹39 crore as against ₹54 crore reported year-ago same period. Net sales grew marginally 6 per cent at ₹1,334 crore (₹1,258 crore).

'Demerger is positive'

After hitting a low of ₹946.45 during intra-day on the BSE, the stock closed at ₹957.65, down 4.03 per

JM Financial said, "Notwithstanding the Q4-FY22 weakness, we continue to like BEL given that it demonstrated turnaround in the EPC business (cash flow generation; containment of revenue growth; EBIT positive in 4QFY22); margin improvement and strong cash flow generation in the CP business as it continues to invest in product rejuvenation (category presence, premium mix, etc.) as well as brand-building activities; and demerger of its EPC business.

New product launches

Due to steep inflation in input prices and no price hikes in Q4, gross margins declined 309 bps y-o-y, said ICICI Securities, adding, "We continue with our positive stance on the company and maintain Buy. Further, demerger should lead to a sustained focus on consumer products business, which can lead to outperformance driving premiumisation will likely result in higher realisations."

TODAY'S PICK

Delta Corp (₹228): SELL

GURUMURTHY K

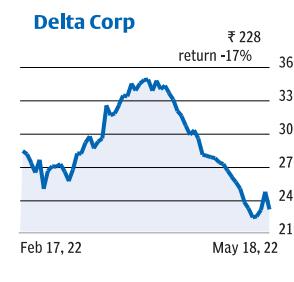
BL Research Bureau
The stock of Delta Corp has been in a downtrend since April. The stock has been continuously falling over the last six weeks. The recent bounce from the low of ₹215.6 made last week failed to breach ₹245.

The sharp 5.9 per cent fall on Wednesday indicates that the downtrend is intact and a fresh leg of fall has begun.

The 21-day moving average (DMA) crossing well below the 200-DMA strengthens the bearish case. Intermediate support is at ₹210, which can be tested in the next few days. A break below ₹210 can target ₹195-₹190 in the next couple of weeks.

Resistance in the ₹240-₹245 region will continue to cap the upside incase of bounce if any. Traders can go short at current levels. Accumulate shorts at ₹238.

Keep the stop-loss at ₹249. Trail the stop-loss down to ₹222 as soon as the stock falls to ₹214. Move the



stop-loss further down to ₹212 as soon as the stock touches ₹207 on the downside. Book profits at ₹198.

The stock will get a breather only on a decisive break above ₹245. Such a break, though less likely can take the price up to ₹260.

Note: The recommendations are based on technical analysis. There is risk of loss in trading

DAY TRADING GUIDE

16237 • Nifty 50 Futures

S1 16180 S2 16000 R1 16400 R2 16500 COMMENT Initiate fresh short positions with a stop-loss at 16230 if the contract breaks below 16180.

13134 • HDFC Bank

S1 1300 S2 1285 R1 1340 R2 1375 COMMENT Outlook is unclear. Can go either way. Avoid trading this stock until a clear trend emerges.

15150 • Infosys

S1 1505 S2 1480 R1 1530 R2 1560 COMMENT Bias is turning negative. Go short now and on a rise at 1525. Keep the stop-loss at 1545.

458 • SBI

S1 454 S2 446 R1 460 R2 465 COMMENT Outlook is bearish. Go short now and accumulate at 460. Stop-loss can be kept at 462.

3450 • TCS

S1 3440 S2 3420 R1 3480 R2 3500 COMMENT The risk reward ratio does not suggest a strong entry now. Avoid trading this stock.

2539 • Reliance Ind.

S1 2525 S2 2500 R1 2570 R2 2600 COMMENT Initiate fresh long positions if the RIL bounces from 2525. Keep the stop-loss at 2505.

S1, S2: Support 1 & 2; R1, R2: Resistance 1 & 2.

Max Life Insurance rooting for ESG firms

ESG-compliant stocks will constitute 75% of its equity portfolio by FY23

K.R. SRIVATS

New Delhi, May 18

Private life insurer Max Life Insurance Company has embarked on a journey towards becoming an environment, social and governance (ESG)-focused organisation, said Managing Director and CEO Prashant Tripathy.

As part of its efforts to get ESG-focussed, Max Life Insurance has resolved that 75 per cent of its existing ₹25,000-crore equity funds portfolio will be invested in ESG-compliant companies by March 2023.

Moreover, 100 per cent of equity portion of its shareholders funds (estimated at ₹3,000 crore) will be going towards ESG.

"We are now making a large commitment to ESG. Max Life is looking to morph itself into a savvy, sensitive ESG-compliant organisation. Not only will our investments be biased to ESG, we are also looking at ESG as a strategy," Tripathy told Busi-

nessLine, sharing the contours of this strategy.

Industry-first ESG fund

Also as part of the ESG focus, Max Life Insurance has decided that ESG principles will be 100 per cent integrated to its equity research and decision-making process.

The insurer had recently set up an industry-first ESG fund — Max Life Sustainable equity fund — that is mapped to an ULIP (launched in May). This is a 100 per cent ESG-compliant fund along with new ULIP plan and will be making investments only in ESG-compliant organisations, Tripathy said.

Trigger from Nifty100 ESG

On the business reason behind the company's ESG focus, Tripathy said, "The reason why we have chosen to focus on ESG is that over the last one year and even five years, we find that Nifty100ESG index has per-



Prashant Tripathy, MD and CEO, Max Life Insurance Company

formed better than normal Nifty100". This ESG focus is expected to increase Max Life's attractiveness to global investors over the next few quarters, he added.

"Globally about one trillion dollars of investments have gone in 2020 into ESG funds. ESG-focused companies tend to do better on operational efficiencies and costs of capital and long-term impact on shareholders," Tripathy said.

New avenues

Max Life Insurance, which is now in the process of setting up a subsidiary for pension fund management, expects this venture to come into play in the second quarter

this fiscal, Tripathy said. This subsidiary is being called 'Max Life Pension Fund Management Ltd' and has already got both PFRDA and IRDAI approval to commence pension fund management business operations.

The move to establish a new subsidiary is well-aligned with the life insurer's broader fund management strategy and strengthens its position within the retirement space.

Meanwhile, in a separate initiative, Max Life Insurance will approach pension regulator PFRDA in the next six months for a licence to be a Point of Presence (PoP) for distribution of National Pension System (NPS) through the company's own channels.

"We will be engaging in discussion with PFRDA to create PoP points for us. This would happen under Max Life Insurance. Once we get a licence, we could open NPS account and solicit business on NPS as a PoP. We already have a licence for being an Annuity Service Provider," Tripathy said.

BROKER'S CALL

PRABHUDAS LILLADHER

Nazara Tech (Buy)

Target: ₹1,747
CMP: ₹1,242.75
We cut our EPS estimates by 6 per cent/18 per cent for FY23/FY24 respectively as subscriber acquisition remains a challenge in Kiddopia. While the management explores more marketing channels and earmarks a higher sum per month for Q1-FY23, achieving pre-Apple policy era's subscriber addition figures will be difficult in near term. Though Kiddopia faces growth headwinds, Esports and Real Money Gaming (RMG) are expected to grow at a strong pace. Overall, we expect revenue/PAT CAGR of 28 per cent/52 per cent respectively over FY22-24 and the growth story remains intact despite near-term challenges. Hence, we retain our Buy rating with a DCF-based TP of ₹1,747.

IDBI CAPITAL

Lumax Auto (Buy)

Target: ₹183
CMP: ₹160.65
Lumax Auto Technologies Ltd Q4-FY22 results were in line with our estimates on account of robust sales growth and operating leverage benefit despite intense raw material inflation. We understand gradual pick up in economy and preference toward personal mobility is likely to drive robust demand from Auto OEM in FY23 and FY24. We retain our PAT estimates for FY23 and FY24. The management anticipates positive business momentum across its business segment, going forward, with pick up in two-wheeler and four-wheeler OEMs. We expect the company to report 15.9 per cent sales CAGR and 22.7 per cent PAT CAGR over FY22-24. The company is expected to report EPS of ₹18.2 in FY24. We change our rating from Hold to Buy with revised TP of ₹183.

MANAPPURAM FINANCE LIMITED

Make Life Easy

Regd. & Corp. Office : IV/470A (Old) W/638 (New), Manappuram House, Valapad, Thrissur - 680567 CIN - L65910KL1992PLC006623

STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH, 2022

(Rs. In Crore, except per equity share data)

Sl. No.	Particulars	Quarter Ended		Year Ended	
		31-03-2022 Audited	31-12-2021 Unaudited	31-03-2021 Audited	31-03-2022 Audited
1	Total income	1,491.31	1,506.85	1,630.25	6,126.32
2	Net Profit / (Loss) for the period (before tax, Exceptional and/or Extraordinary items)	353.94	348.18	622.08	1,783.52
3	Net Profit / (Loss) for the period before tax (after Exceptional and/or Extraordinary items)	353.94	348.18	622.08	1,783.52
4	Net Profit / (Loss) for the period after tax (after Exceptional and/or Extraordinary items)	260.95	261.01	468.35	1,328.70
5	Total Comprehensive Income for the period [Comprising Profit/(Loss) for the period (after tax) and Other Comprehensive Income (after				

